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# **Business Employment Dynamics in Texas – First Quarter 2018**

From December 2017 to March 2018 **gross job gains** in private sector establishments in Texas totaled 594,270, while **gross job losses** numbered 524,628 the U.S. Bureau of Labor Statistics reported today. Assistant Commissioner for Regional Operations Stanley W. Suchman noted that the difference between the number of gross job gains and the number of gross job losses yielded a **net employment gain** of 69,642 from December 2017 to March 2018. During the previous quarter, gross job gains exceeded gross job losses by 103,909. (See chart 1 and table 1.)

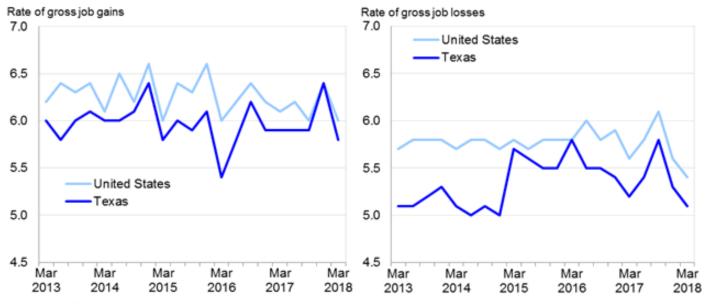
The change in the number of jobs over time is the net result of increases and decreases in employment that occur at all businesses in the economy. Business Employment Dynamics (BED) statistics track these changes in employment at private business establishments from the third month of one quarter to the third month of the next. Gross job gains are the sum of increases in employment from expansions at existing establishments and the addition of new jobs at opening establishments. Gross job losses are the result of contractions in employment at existing establishments and the loss of jobs at closing establishments. The difference between the number of gross job gains and the number of gross job losses is the net change in employment. (See the Technical Note for more information.)

Texas gross job gains reached 647,693 in December 2017, the highest level in the history of the series, before declining to 594,270 in March 2018, approximately the same level as the four quarters prior to the December 2017 peak. Gross job losses in Texas had trended upward since the post-recession low of 433,128 in March 2011. However, after reaching a post-recession high of 583,688 in September 2017, gross job losses in the state have declined in each of the last two quarters. (See chart 1.)

Chart 1. Private sector gross job gains and losses in Texas, March 2013–March 2018, seasonally adjusted 700,000 Gross job gains Gross job losses 650,000 600,000 550,000 500,000 450,000 Mar Mar Mar Mar Mar Mar 2013 2014 2015 2016 2017 2018 Source: U.S. Bureau of Labor Statistics.

Gross job gains represented 5.8 percent of private sector employment in Texas in the quarter ended March 2018; nationally, gross job gains accounted for 6.0 percent of private sector employment. (See chart 2.) During the past five years, the rate of gross job gains in Texas has remained below the national rate with the exception of December 2017 when the state's rate matched the national rate. The state's rate of gross job losses as a percent of private sector employment was 5.1 percent in the first quarter of 2018 compared to the national rate of 5.4 percent. With the exception of the first quarter of 2016, gross job loss rates in Texas have remained below the U.S. rates since the first quarter of 2003.

Chart 2. Private sector gross job gains and losses as a percent of employment, United States and Texas, March 2013–March 2018, seasonally adjusted



Source: U.S. Bureau of Labor Statistics.

During the first quarter of 2018, gross job gains exceeded gross job losses in 10 of the 11 industry sectors in Texas. For example, within professional and business services, opening and expanding establishments added more than 117,000 jobs, while closing and contracting establishments lost more than 100,000 jobs. The resulting net gain of 16,832 jobs was the largest of any Texas sector in the first quarter of 2018. In leisure and hospitality, about 98,900 jobs were created in opening and expanding establishments and about 87,600 were lost in closing and contracting establishments, resulting in a net employment gain of 11,275, the second largest increase among the state's sectors. Opening and expanding establishments in Texas's education and health services sector added about 70,800 jobs while losing more than 61,200 jobs at closing and contracting establishments, for a net gain of 9,559 jobs. (See table 1.)

The transportation and warehousing industry sector had the only net job decrease in the first quarter of 2018. With more than 28,100 gross jobs losses in closing and contracting establishments and about 22,100 gains in opening and expanding establishments, this sector lost 5,995 jobs.

## Additional statistics and other information

BED data for the states have been included in table 2 of this release. For more information on the Business Employment Dynamics data, visit the BED web site at www.bls.gov/bdm/.

The Business Employment Dynamics release for Second Quarter 2018 is scheduled to be released on Wednesday, January 30, 2019 at 10:00 am (EST).

## Revisions to Business Employment Dynamics (BED) Data

Data in this release incorporate annual revisions to the BED series. Annual revisions are published each year with the release of first quarter data. These revisions cover the last four quarters of not seasonally adjusted data and five years of seasonally adjusted data.

### **Technical Note**

The Business Employment Dynamics (BED) data are a product of a federal-state cooperative program known as Quarterly Census of Employment and Wages (QCEW), or the ES-202 program. The BED data are compiled by the U.S. Bureau of Labor Statistics (BLS) from existing QCEW records. Most employers in the U.S. are required to file quarterly reports on the employment and wages of workers covered by unemployment insurance (UI) laws, and to pay quarterly UI taxes. The QCEW is based largely on quarterly UI reports which are sent by businesses to the State Workforce Agencies (SWAs). These UI reports are supplemented by two additional BLS data collections to render administrative data into economic statistics. Together these data comprise the QCEW and form the basis of the Bureau's establishment universe sampling frame.

In the BED program, the quarterly QCEW records are linked across quarters to provide a longitudinal history for each establishment. The linkage process allows the tracking of net employment changes at the establishment level, which in turn allows the estimation of jobs gained at opening and expanding establishments and jobs lost at closing and contracting establishments.

The change in the number of jobs over time is the net result of increases and decreases in employment that occur at all businesses in the economy. BED statistics track these changes in employment at private business establishments from the third month of one quarter to the third month of the next. Gross job gains are the sum of increases in employment from expansions at existing establishments and the addition of new jobs at opening establishments. Gross job losses are the result of contractions in employment at existing establishments and the loss of jobs at closing establishments. The difference between the number of gross jobs gained and the number of gross jobs lost is the net change in employment.

Gross job gains and gross job losses are expressed as rates by dividing their levels by the average of employment in the current and previous quarters. The rates are calculated for the components of gross job gains and gross job losses and then summed to form their respective totals. These rates can be added and subtracted just as their levels can. For instance, the difference between the gross job gains rate and the gross job losses rate is the net growth rate.

The formal definitions of employment changes are as follows:

*Openings.* These are either establishments with positive third month employment for the first time in the current quarter, with no links to the prior quarter, or with positive third month employment in the current quarter following zero employment in the previous quarter.

*Expansions*. These are establishments with positive employment in the third month in both the previous and current quarters, with a net increase in employment over this period.

*Closings.* These are either establishments with positive third month employment in the previous quarter, with no employment or zero employment reported in the current quarter.

*Contractions.* These are establishments with positive employment in the third month in both the previous and current quarters, with a net decrease in employment over this period.

Information in this release will be made available to sensory impaired individuals upon request: voice phone: (202) 691-5200; Federal Relay Service: (800) 877-8339.

Table 1. Private sector gross job gains and losses by industry, Texas, seasonally adjusted

Category		Gross job	gains and months end	job losses		Gross job gains and job losses as a percent of employment (3 months ended)				
	Mar. 2017	June 2017	Sept. 2017	Dec. 2017	Mar. 2018	Mar. 2017	June 2017	Sept. 2017	Dec. 2017	Mar. 2018
Total private <sup>(1)</sup>										
Gross job gains	585,792	590,669	600,634	647,693	594,270	5.9	5.9	5.9	6.4	5.8
At expanding establishments	488,218	490,869	497,164	538,194	485,904	4.9	4.9	4.9	5.3	4.7
At opening establishments	97,574	99,800	103,470	109,499	108,366	1.0	1.0	1.0	1.1	1.1
Gross job losses	523,798	543,780	583,688	543,784	524,628	5.2	5.4	5.8	5.3	5.1
At contracting establishments	443,134	455,343	485,722	441,401	440,118	4.4	4.5	4.8	4.3	4.3
At closing establishments	80,664	88,437	97,966	102,383	84,510	0.8	0.9	1.0	1.0	0.8
Net employment change (2)	61,994	46,889	16,946	103,909	69,642	0.7	0.5	0.1	1.1	0.7
Construction										
Gross job gains	58,217	56,877	52,754	66,293	59,640	8.2	8.0	7.4	9.2	8.1
At expanding establishments	49,648	48,917	45,452	56,872	51,257	7.0	6.9	6.4	7.9	7.0
At opening establishments	8,569	7,960	7,302	9,421	8,383	1.2	1.1	1.0	1.3	1.1
Gross job losses	49,800	52,493	58,181	50,336	52,131	7.1	7.4	8.2	7.0	7.1
At contracting establishments	42,921	46,281	51,321	42,527	44,553	6.1	6.5	7.2	5.9	6.1
At closing establishments	6,879	6,212	6,860	7,809	7,578	1.0	0.9	1.0	1.1	1.0
Net employment change (2)	8,417	4,384	-5,427	15,957	7,509	1.1	0.6	-0.8	2.2	1.0
Manufacturing										
Gross job gains	29,200	32,403	30,512	34,304	30,575	3.5	3.8	3.5	4.0	3.5
At expanding establishments	26,901	29,725	27,525	31,420	27,769	3.2	3.5	3.2	3.7	3.2
At opening establishments	2,299	2,678	2,987	2,884	2,806	0.3	0.3	0.3	0.3	0.3
Gross job losses	25,554	25,428	28,844	25,169	25,037	3.0	3.0	3.3	2.9	2.9
At contracting establishments	22,807	22,192	25,139	21,838	21,551	2.7	2.6	2.9	2.5	2.5
At closing establishments	2,747	3,236	3,705	3,331	3,486	0.3	0.4	0.4	0.4	0.4
Net employment change (2)	3,646	6,975	1,668	9,135	5,538	0.5	0.8	0.2	1.1	0.6
Wholesale trade										
Gross job gains	26,605	28,266	26,965	27,584	26,777	4.6	4.8	4.6	4.7	4.6
At expanding establishments	22,413	24,488	23,069	22,971	22,806	3.9	4.2	3.9	3.9	3.9
At opening establishments	4,192	3,778	3,896	4,613	3,971	0.7	0.6	0.7	0.8	0.7
Gross job losses	22,343	22,201	24,131	23,401	22,217	3.8	3.7	4.1	3.9	3.8
At contracting establishments	18,087	17,854	19,401	18,434	17,583	3.1	3.0	3.3	3.1	3.0
At closing establishments	4,256	4,347	4,730	4,967	4,634	0.7	0.7	0.8	0.8	0.8
Net employment change (2)	4,262	6,065	2,834	4,183	4,560	0.8	1.1	0.5	0.8	0.8
Retail trade										
Gross job gains	73,139	71,799	68,837	76,361	70,585	5.5	5.4	5.2	5.8	5.3
At expanding establishments	63,557	61,017	58,355	67,126	60,961	4.8	4.6	4.4	5.1	4.6
At opening establishments	9,582	10,782	10,482	9,235	9,624	0.7	0.8	0.8	0.7	0.7
Gross job losses	72,612	70,045	81,566	68,580	67,163	5.5	5.2	6.2	5.2	5.1
At contracting establishments	65,270	61,867	71,110	59,727	60,842	4.9	4.6	5.4	4.5	4.6
At closing establishments	7,342	8,178	10,456	8,853	6,321	0.6	0.6	0.8	0.7	0.5
Net employment change (2)	527	1,754	-12,729	7,781	3,422	0.0	0.2	-1.0	0.6	0.2
Transportation and warehousing										
Gross job gains	22,323	23,871	30,102	34,364	22,107	4.8	5.2	6.4	7.1	4.6
At expanding establishments	19,369	20,228	26,948	31,314	18,348	4.2	4.4	5.7	6.5	3.8
At opening establishments	2,954	3,643	3,154	3,050	3,759	0.6	0.8	0.7	0.6	8.0
Gross job losses	27,765	21,783	21,215	21,694	28,102	5.9	4.7	4.6	4.6	5.8
At contracting establishments	25,252	18,415	18,158	17,556	25,644	5.4	4.0	3.9	3.7	5.3
At closing establishments	2,513	3,368	3,057	4,138	2,458	0.5	0.7	0.7	0.9	0.5
Net employment change (2) Information	-5,442	2,088	8,887	12,670	-5,995	-1.1	0.5	1.8	2.5	-1.2
Gross job gains	9,103	10,377	9,564	10,320	9,065	4.5	5.1	4.8	5.1	4.5
At expanding establishments	7,855	8,546	8,046	8,828	7,464	3.9	4.2	4.0	4.4	3.7
At opening establishments	1,248	1,831	1,518	1,492	1,601	0.6	0.9	0.8	0.7	0.8
Gross job losses	8,322	11,837	11,054	8,139	8,751	4.1	5.9	5.5	4.0	4.3

Note: See footnotes at end of table.

Table 1. Private sector gross job gains and losses by industry, Texas, seasonally adjusted - Continued

Category			gains and j nonths end			Gross job gains and job losses as a percent of employment (3 months ended)				
	Mar. 2017	June 2017	Sept. 2017	Dec. 2017	Mar. 2018	Mar. 2017	June 2017	Sept. 2017	Dec. 2017	Mar. 2018
At contracting establishments	7,267	10,033	9,808	6,699	7,171	3.6	5.0	4.9	3.3	3.5
At closing establishments	1,055	1,804	1,246	1,440	1,580	0.5	0.9	0.6	0.7	8.0
Net employment change (2)	781	-1,460	-1,490	2,181	314	0.4	-0.8	-0.7	1.1	0.2
Financial activities										
Gross job gains	33,146	35,856	38,608	38,526	34,534	4.5	4.9	5.2	5.2	4.6
At expanding establishments	26,457	28,848	31,079	29,918	26,469	3.6	3.9	4.2	4.0	3.5
At opening establishments	6,689	7,008	7,529	8,608	8,065	0.9	1.0	1.0	1.2	1.1
Gross job losses	30,125	28,666	31,120	37,312	31,801	4.1	3.9	4.2	5.0	4.2
At contracting establishments	23,722	22,153	24,184	28,576	25,000	3.2	3.0	3.3	3.8	3.3
At closing establishments	6,403	6,513	6,936	8,736	6,801	0.9	0.9	0.9	1.2	0.9
Net employment change (2)	3,021	7,190	7,488	1,214	2,733	0.4	1.0	1.0	0.2	0.4
Professional and business services										
Gross job gains	115,969	112,353	121,810	120,874	117,364	7.0	6.7	7.3	7.1	6.9
At expanding establishments	96,058	93,596	98,681	96,636	95,556	5.8	5.6	5.9	5.7	5.6
At opening establishments	19,911	18,757	23,129	24,238	21,808	1.2	1.1	1.4	1.4	1.3
Gross job losses	101,432	108,531	104,689	117,517	100,532	6.2	6.5	6.3	7.0	5.9
At contracting establishments	83,524	90,470	84,745	94,361	80,208	5.1	5.4	5.1	5.6	4.7
At closing establishments	17,908	18,061	19,944	23,156	20,324	1.1	1.1	1.2	1.4	1.2
Net employment change (2)	14,537	3,822	17,121	3,357	16,832	0.8	0.2	1.0	0.1	1.0
Education and health services										
Gross job gains	73,028	74,234	69,610	80,015	70,802	4.6	4.6	4.3	5.0	4.4
At expanding establishments	60,306	62,777	57,821	67,567	59,358	3.8	3.9	3.6	4.2	3.7
At opening establishments	12,722	11,457	11,789	12,448	11,444	0.8	0.7	0.7	0.8	0.7
Gross job losses	63,402	65,272	78,787	65,913	61,243	4.0	4.1	4.9	4.1	3.7
At contracting establishments	52,706	52,780	63,030	50,173	50,712	3.3	3.3	3.9	3.1	3.1
At closing establishments	10,696	12,492	15,757	15,740	10,531	0.7	8.0	1.0	1.0	0.6
Net employment change (2)	9,626	8,962	-9,177	14,102	9,559	0.6	0.5	-0.6	0.9	0.7
Leisure and hospitality										
Gross job gains	94,049	94,735	102,597	105,591	98,885	7.2	7.2	7.8	7.9	7.3
At expanding establishments	74,219	74,504	80,472	83,986	75,968	5.7	5.7	6.1	6.3	5.6
At opening establishments	19,830	20,231	22,125	21,605	22,917	1.5	1.5	1.7	1.6	1.7
Gross job losses	83,902	96,219	101,213	83,423	87,610	6.4	7.3	7.7	6.3	6.5
At contracting establishments	70,429	80,069	85,725	68,679	75,014	5.4	6.1	6.5	5.2	5.6
At closing establishments	13,473	16,150	15,488	14,744	12,596	1.0	1.2	1.2	1.1	0.9
Net employment change (2)	10,147	-1,484	1,384	22,168	11,275	0.8	-0.1	0.1	1.6	0.8
Other services (3)										
Gross job gains	22,269	22,127	21,281	23,602	21,937	7.4	7.3	7.0	7.7	7.2
At expanding establishments	18,140	16,916	17,129	18,316	17,139	6.0	5.6	5.6	6.0	5.6
At opening establishments	4,129	5,211	4,152	5,286	4,798	1.4	1.7	1.4	1.7	1.6
Gross job losses	20,232	21,530	22,338	21,370	21,062	6.6	7.1	7.3	7.0	6.8
At contracting establishments	16,485	17,184	16,495	16,854	16,937	5.4	5.7	5.4	5.5	5.5
At closing establishments	3,747	4,346	5,843	4,516	4,125	1.2	1.4	1.9	1.5	1.3
Net employment change (2)	2,037	597	-1,057	2,232	875	0.8	0.2	-0.3	0.7	0.4

#### Footnotes

<sup>(1)</sup> Includes unclassified sector not shown separately.

<sup>(2)</sup> The net employment change is the difference between total gross job gains and total gross job losses. See the Technical Note for further information.

<sup>(3)</sup> Except public administration.

Table 2. Private sector gross job gains and losses as a percent of total employment by state, seasonally adjusted

State	Gross	job gains a	as a percer nonths end		yment	Gross job losses as a percent of employment (3 months ended)				
State	Mar. 2017	June 2017	Sept. 2017	Dec. 2017	Mar. 2018	Mar. 2017	June 2017	Sept. 2017	Dec. 2017	Mar. 2018
United States (1)	6.1	6.2	6.0	6.4	6.0	5.6	5.8	6.1	5.6	5.4
Alabama	6.1	5.6	6.0	6.0	6.0	5.2	5.6	5.8	5.4	5.3
Alaska	9.4	10.9	8.7	9.7	9.8	10.1	9.9	10.8	10.2	8.8
Arizona	6.0	6.2	6.6	6.3	6.0	5.5	5.7	5.2	5.3	5.3
Arkansas	5.7	5.4	5.8	6.1	5.4	5.2	5.7	5.5	5.1	5.0
California	6.8	6.9	6.5	6.9	6.4	6.2	6.5	6.3	6.0	5.9
Colorado	6.9	7.0	6.7	6.8	6.8	6.0	6.3	6.5	6.1	6.0
Connecticut	5.8	5.7	5.4	5.3	5.1	5.4	5.2	5.8	5.2	5.2
Delaware	6.6	6.7	6.4	7.0	7.1	5.9	6.6	6.6	6.4	5.9
District of Columbia	5.8	5.7	5.4	5.8	6.0	4.8	5.4	5.2	5.0	4.7
Florida	6.1	6.6	5.8	8.2	6.1	5.6	6.1	7.5	5.3	5.5
Georgia	6.3	6.2	6.2	6.9	6.5	5.9	6.1	6.1	5.6	5.6
Hawaii	5.4	5.2	5.4	5.1	5.0	4.8	5.3	5.1	4.7	4.8
Idaho	7.8	7.3	6.7	7.4	7.9	6.4	6.6	6.8	6.6	5.9
Illinois	5.9	5.7	5.6	6.0	5.7	5.5	5.6	6.0	5.3	5.1
Indiana	5.7	5.7	5.4	5.7	5.6	5.1	5.5	5.6	5.0	5.1
lowa	6.1	5.7	5.5	5.9	5.5	5.6	5.8	5.7	5.3	5.3
Kansas	5.9	5.5	6.3	5.9	5.2	5.6	6.5	5.7	5.2	5.5
Kentucky	5.9	6.1	6.0	6.1	6.2	5.6	6.0	6.0	5.6	5.9
Louisiana	6.5	6.3	6.2	6.2	6.5	5.9	6.6	6.1	6.0	5.8
Maine	7.2	7.7	6.5	7.2	7.2	6.6	6.8	7.5	6.6	7.0
Maryland	6.1	6.4	6.3	6.2	6.3	5.9	6.1	6.2	6.3	5.7
Massachusetts	5.6	6.1	5.4	5.7	5.4	5.2	5.3	5.6	5.4	5.2
Michigan	5.6	5.8	5.3	5.7	5.7	5.0	5.3	6.0	5.4	4.6
Minnesota	5.9	5.7	5.3	5.8	5.3	4.9	5.3	5.7	5.5	5.0
Mississippi	5.9	5.9	5.9	6.3	5.5	5.9	6.0	5.9	5.4	5.8
Missouri	5.9	5.6	5.9	5.7	5.4	5.0	5.6	5.9	5.5	5.2
Montana	8.1	7.9	7.2	8.5	7.8	7.2	7.7	7.9	7.4	7.1
Nebraska	6.0	5.5	5.9	6.2	5.6	5.1	6.1	5.9	5.5	5.5
Nevada	6.6	6.2	6.2	6.6	6.5	5.2	5.9	5.8	5.2	5.4
New Hampshire	5.8	6.6	5.5	6.7	6.1	5.7	6.0	6.6	5.9	5.9
New Jersey	5.6	6.7	6.0	6.4	5.6	5.9	5.6	6.3	5.8	5.8
New Mexico	6.5	6.8	6.6	6.5	6.3	6.2	6.4	6.3	6.1	5.5
New York	6.2	6.4	6.3	6.2	6.2	5.7	5.8	6.1	5.8	5.6
North Carolina	6.4	6.3	6.0	6.3	6.2	5.7	6.2	6.0	5.5	5.2
North Dakota	7.6	6.8	6.7	6.8	7.0	6.8	6.9	6.7	6.8	6.3
Ohio	5.8	5.8	5.3	5.7	5.5	5.2	5.5	5.7	5.2	5.0
Oklahoma	6.3	6.6	6.6	6.4	6.1	6.2	6.0	6.0	5.8	5.5
Oregon	7.0	6.7	6.6	6.8	7.8	5.9	6.1	6.4	6.0	5.6
Pennsylvania	5.3	5.5	5.5	5.5	5.2	5.0	5.2	5.2	5.0	4.9
Rhode Island	6.4	6.5	6.0	6.6	6.3	6.0	5.9	6.3	6.0	6.1
South Carolina	6.2	6.1	5.8	7.0	5.9	5.7	6.1	6.2	5.3	4.7
South Dakota	6.4	6.2	5.8	6.4		5.7	6.2	5.9	5.7	4.7 5.9
	5.2	5.5	5.6	5.9	6.4 5.0	5.9	5.2	5.9	4.9	4.8
Tennessee										
Texas	5.9	5.9	5.9	6.4	5.8	5.2	5.4	5.8	5.3	5.1
Utah	7.7	6.8	7.0	7.0 7.4	7.4	6.1	6.3	6.3	5.9	6.0
Vermont	6.6	7.9	6.5	7.4	6.4	6.8	6.8	7.8	6.5	7.0
Virginia	6.1	6.4	5.9	6.3	5.8	5.6	5.9	6.2	5.5	5.2
Washington	6.9	7.1	6.4	6.9	7.2	6.0	6.2	6.4	6.0	5.7
West Virginia	6.3	6.4	6.7	6.3	6.8	6.3	6.5	6.3	6.1	5.8
Wisconsin	5.9	5.6	5.0	5.6	5.6	4.8	5.5	5.7	5.0	4.7
Wyoming	8.9	8.6	8.7	8.7	8.4	8.1	9.1	7.9	8.4	8.0
Puerto Rico	5.1	5.4	4.5	7.1	8.4	5.7	5.4	6.8	11.8	6.8

Note: See footnotes at end of table.

Table 2. Private sector gross job gains and losses as a percent of total employment by state, seasonally adjusted - Continued

State	Gross job gains as a percent of employment (3 months ended)					Gross job losses as a percent of employment (3 months ended)				
	Mar. 2017	June 2017	Sept. 2017	Dec. 2017	Mar. 2018	Mar. 2017	June 2017	Sept. 2017	Dec. 2017	Mar. 2018
Virgin Islands	5.6	6.7	4.2	9.2	12.0	5.5	5.3	11.6	28.2	16.8

 $<sup>\</sup>hbox{(1) Totals for the United States do not include data for Puerto Rico or the Virgin Islands. } \\$